



# **DEPARTMENTAL BUSINESS PLAN AND OUTLOOK**

**DEPARTMENT OF PROCUREMENT MANAGEMENT**

**FISCAL YEARS**

**2003-04**

**&**

**2004-05**



## TABLE OF CONTENTS

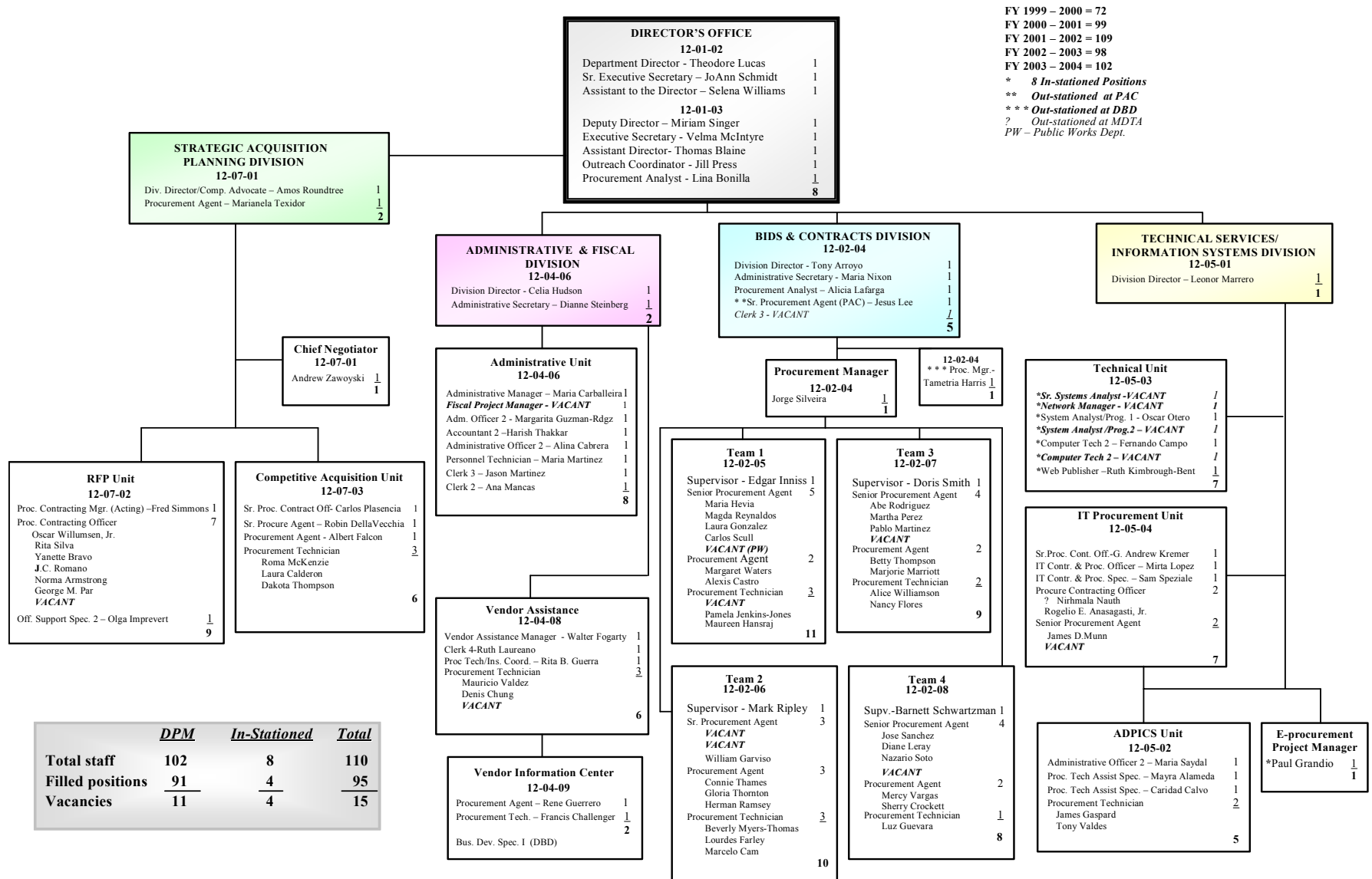
<b>PART ONE:</b>	<b>EXECUTIVE SUMMARY</b>	Page 1
	Table of Organization	Page 2
	Major Accomplishments / Milestones	Page 3
<b>PART TWO:</b>	<b>INTRODUCTION</b>	
	Department Purpose/Mission Statement	Page 6
	Department Description	Page 7
	Major DPM Services / Programs	Page 7
	Significant Events Affecting DPM	Page 9
	New Services / Programs FY 2003-04 and FY 2004-05	Page 10
	Organization and Staffing Levels	Page 12
	Functional Table of Organization	Page 12
	Major Programs and Changes in Staffing Levels	Page 13
	Staffing Level Table	Page 13
	Fiscal Environment	Page 14
	Revenues and Expenditures by Fund Table	Page 14
	Major Funding Sources /Major Variances	Page 15
	Business Environment	Page 16
	Varied Procurement Actions	Page 16
	Purchasing Affiliations	Page 16
	Critical Success Factors	Page 18
	Future Outlook	Page 19
<b>PART THREE:</b>	<b>THE PLAN</b>	Page 21
	Goals:	Page 23

## **EXECUTIVE SUMMARY**

The Department of Procurement Management provides professional, value added centralized procurement of goods and services to all County departments while ensuring compliance with established guidelines and procedures.



DEPARTMENT OF PROCUREMENT MANAGEMENT  
TABLE OF ORGANIZATION  
FY 2003 – 2004



FY 1999 – 2000 = 72  
FY 2000 – 2001 = 99  
FY 2001 – 2002 = 109  
FY 2002 – 2003 = 98  
FY 2003 – 2004 = 102  
\* 8 In-stationed Positions  
\*\* Out-stationed at PAC  
\*\*\* Out-stationed at DBD  
? Out-stationed at MDTA  
PW – Public Works Dept.

Dec. 1, 2003

## Major Accomplishments / Milestones

1. **Contract savings:**

For FY 2003-04 our goal is to generate savings of \$15 million. Since FY 2001-02, DPM generated savings of \$49.6 million through negotiations and improved methods, terms and conditions. Savings will be recovered for the duration of the contract and Option to Renew (OTR) years.

2. **Enhanced contracts:**

For FY 2003-04 our goal is to continue to improve contracts and pricing for the benefit of Miami-Dade County through:

- Improved contract strategies
- Improved terms and conditions
- Greater competition
- Aggressive negotiation of sole source and bid waiver contracts

3. **User Access Program:**

DPM will begin implementation of the User Access Program on October 1, 2003. A 2% deduction will be taken from the vendors' invoices at the time of invoice payment. Revenue of \$1.8 million is budgeted in FY 03-04

4. **e- Procurement:**

Continue implementation of e-Procurement Release 3 and other Information Technologies (IT) enhancements for more efficiency, enhanced processes and for the availability of information to vendors and user departments via the Internet/Intranet through:

- Preparation and distribution of award sheets on-line (FY 2003-04)
- On-line quote requests (FY 2003-04)
- Automation of portions of the vendor registration process (FY 2004-05)
- Issuing RFPs on-line (FY 2004-05)
- Receiving responses to Invitation to Bids and RFPs on-line (FY 2004-05)
- Implementation of a web-enabled Graphical User Interface (GUI) for a more user friendly operable path to ADPICS with access on the Intranet (FY 2004-05)
- Implementation of an Electronic Document Management System (EDMS) for on-line paperless environment (FY 2004-05)

## Major Accomplishments / Milestones (cont.)

### 5. **Reduction of process time:**

Reduce ITB and RFP processing time through innovative procurement methods and processes:

- Introduction of a new Solicitation Package Preparation to eliminate steps required during the preparation and review processes
- Informal, expedited procedure for RFPs under \$100,000
- New, expedited procedures for receiving responses from vendors for solicitations under \$100,000
- Quicker selection committee processes

### 6. **Integrity:**

Continue to promote integrity of the procurement processes within DPM and to user agencies through:

- Professional Training
- Annual mandatory Procurement Ethics training for procurement staff countywide (implemented jointly with the Commission on Ethics)
- New basic specification writing and performance based specification writing training for all procurement staff and employees responsible for writing specifications
- Improved market research to reduce barriers to competition and obtain best value

### 7. **Customer Service:**

Enhance customer service to internal and external customers:

- **External Customer Service:**

In FY 2002-03, DPM exceeded previous year ratings for excellent customer service in the County's Secret Shopper Program. DPM proposes to continue providing excellent services to vendors and other external customers.

- 2003 Overall Score: 4.6 out of 5.0 points
- 2002 Overall Score: 4.1 out of 5.0 points

- **Internal Customer Service:**

DPM continues to develop and implement "Roadmaps" for County staff to:

- Instruct
- Save Time
- Promote uniform contract usage
- Foster communication and improve working relationships between DPM and user departments

## **Major Accomplishments / Milestones (cont.)**

DPM will also continue conducting routine meetings with user departments to promote Advanced Acquisition Planning and to enhance effective working relationships.

### **8. Legislation:**

The following legislative enhancements are being recommended in FY 03-04:

- Propose Responsibility Ordinance amendment and supporting administrative order
- Streamline the County's social policy affidavit requirements, and make the comprehensive vendor affidavit good for an extended three-year term
- Streamline the County's selection committee legislation
- Improve and clarify the Comprehensive Procurement Ordinance and Administrative Order
- Further improvements to Bid Protest legislation

### **9. Competition:**

DPM intends to initiate competitive procurement actions for at least 25% of the 195 non-competitive contracts already identified

### **10. Advance Acquisition Planning (AAP):**

DPM will continue to work with user departments in collaborative Advance Acquisition Planning for:

- Improved market research and competitive intelligence
- Performance Based Contracts
- Enhanced customer service
- Timely acquisition of goods and services to meet user departments' operational needs

---

THEODORE G. LUCAS, DIRECTOR  
DEPARTMENT OF PROCUREMENT MANAGEMENT

## **INTRODUCTION**

### **DEPARTMENT PURPOSE / MISSION STATEMENT**

**Purpose:**

Provide professional, value added centralized procurement of goods and services to all County departments while ensuring compliance with established guidelines and procedures.

**Mission Statement:**

The Department of Procurement Management (DPM) is dedicated to customer service and the timely acquisition of goods and services. By utilizing technology and sound business processes, we strive to bring the greatest value to Miami-Dade County with integrity, fairness, competition, and community inclusion.



## **DEPARTMENT DESCRIPTION**

### **Major DPM Services**

#### **Director's Office:**

Establishes departmental policy; develops and improves countywide procurement policy and procedures; serves as a liaison between departments and vendors; responsible for committee and Board of County Commission (BCC) agenda development, review and coordination; establishes staff competency requirements and training programs; promotes full and open competition in the award of county contracts; assesses and implements the use of "e-Procurement"; implements policy enacted by the BCC and the County Manager. The office also coordinates the activities of the Living Wage Commission and outreach and education for the business community. Additionally, the office directs and manages the daily operations of the Department.

#### **Bids and Contracts Division:**

- Establishes contracts for commodities through Invitations to Bid
- Prepares statistical reports
- Distributes and tracks all formal bid contracts
- Notify bidders of status of contract award
- Conducts competency of bidders
- Conducts Pre-Bid Conferences
- Develops technical bid specifications for new and recurring bids (formal and informal)
- Solicits proposals from prospective vendors
- Evaluates proposals for recommendation to the Board of County Commissioners, when required and issues award sheets
- Makes recommendations for race conscious measures
- Performs market research
- Processes Requisitions and Purchase Orders by accessing existing County contracts
- Provides procurement training and technical expertise to departments
- Provides research information for Department Director, Assistant to the Director, County Attorneys, Commissioners, Commissioner's Aides and other County officials as it relates to procurement
- Conducts continuous audits to ensure compliance with established guidelines, resolutions, policies and procedures

#### **Strategic Acquisition Planning Division:**

- Identifies organizational, policy, process, or procedural impediments to competition and recommends the appropriate corrective actions

### **Strategic Acquisition Planning Division (cont):**

- Formulates terms and conditions, including price and negotiation strategies for complex and particularly sensitive acquisitions
- Establishes guidelines and criteria for Advance Acquisition Planning
- Develops and monitors a specialized training program that focuses on the basics of effective negotiations
- Reviews all requests for bid waiver and sole source acquisitions
- Performs market research in order to identify sources of supply
- Ensures that the contracts terms and conditions, price and quality are effectively negotiated
- Develops and processes Requests for Proposals (RFP), Requests for Qualification (RFQ), and Requests for Information (RFI)
- Develops professional and effective solicitations, and negotiates noncompetitive acquisitions as appropriate
- Ensures that all responsible sources are given the opportunity to compete
- Develops and promotes the appropriate acquisition strategies for goods and services sought

### **Technical Services Division:**

- Manages DPM's internal MIS functions
- Administers Local Area Network
- Develops and implements e-Procurement initiatives
- Edits and maintains departmental web page
- Manages Information Technology (IT) Procurement Unit
- Responsible for establishing and monitoring countywide IT hardware, software, telecommunications and consulting contracts
- Responsible for managing countywide ADPICS operations and trainings
- Negotiates all IT related Bid Waiver and Sole Source Acquisitions
- Develops and processes IT related RFP's, RFQ's and RFI's
- Like procurement operations responsibilities as noted under the Bids and Contracts and Strategic Acquisition Planning Divisions

### **Administrative and Fiscal Division:**

- Prepares division and department annual budgets
- Prepares quarterly expenditure and revenue reports
- Reviews and processes departmental invoices
- Monitors contracts used by the department
- Develops and monitors performance and quality measures

### **Administrative and Fiscal Division (cont.):**

- Prepares job descriptions including minimum requirements that comply with Americans with Disabilities Act (ADA)
- Prepares job announcements and conducts recruitments
- Prepares and processes all personnel actions
- Provides guidance to supervisory staff with Employee Performance Evaluations
- Provides guidance to supervisory and management staff regarding disciplinary process
- Develops and conducts on-going training program for DPM staff
- Maintains capital equipment inventory for the department
- Prepares reports of User Access Program revenue generated
- Collects the County's surcharge fee and fees for bid/RFP packages
- Assists vendors on how to conduct business with the County
- Coordinates vendor information between DPM and County departments
- Reviews vendor applications for compliance with County Resolutions and Ordinances
- Operates Vendor Information Center
- Advertises bid, RFP and A&E solicitations in newspapers
- Conducts bid openings
- Maintains insurance, bid deposits and performance bonds on behalf of the department
- Prepares business plan and quarterly reports

### **Significant Events Affecting DPM**

1. During FY 2002-03 the County Manager's delegated authority was increased to \$1 million for the competitive purchase of goods and services. The Board of County Commissioners (BCC) authorized the County Manager to advertise, award and reject bids/proposals up to that dollar threshold without the need for BCC action (with quarterly reports to the BCC). The County Manager has delegated authority to the DPM Director for actions up to \$500,000. For awards \$500,000 to \$1 million the County Manager reviews recommended actions.
2. The new, consolidated "Master Procurement Administrative Order" (AO 3-38) was approved by the BCC in FY 2002-03. This A.O. governs the County's purchasing process for goods and services, identifies and defines procurement authorities and responsibilities within the County by promoting the working principles of integrity, competition, professionalism and accountability in purchasing.

## **New Services / Programs FY 2003-04 and FY 2004-05**

### **1. User Access Program**

The FY 2003-04 Proposed Budget as approved under Ordinance 03-192 recommended a 2% user access fee on purchases by County departments and other governmental, quasi-governmental and non-profit entities using contracts for goods and services established by DPM. Revenue from the fee will be used to help fund DPM operations. The previous surcharge program legislation, which expired in April, 2003, allowed for DPM issued contracts to include the 2% access fee on purchases by non-County governmental or quasi-governmental agencies accessing the contracts. The recommended User Access Program (UAP) establishes a 2% deduction on all vendor invoices for newly established contracts, as well as negotiated modifications of existing contracts, including renewals. The Program applies to purchases by county departments and by non-county entities accessing county contracts. Included in the UAP are one-time, term, blanket and pool contracts issued by DPM, and the contracts of other jurisdictions accessed by DPM for the County. Small purchase orders issued by County departments, federal funds, employee benefits contracts, some revenue generating contracts, and contracts with Board established rates will be excluded from the Program. The UAP became effective October 1, 2003.

### **2. e-Procurement** (Refer to page 3 for details of proposed initiatives)

### **3. IT Procurement Unit**

The IT Procurement Unit was formed in November 2002 under the Technical Services Division. This unit will continue to bring specialized subject-matter expertise to the County's procurement of information technology (hardware, software and supporting services).

### **4. Competitive Acquisition Unit**

The Competitive Acquisition Unit (CA Unit) was formed in November 2002 under the Strategic Acquisition Planning Division. This unit was formed to strengthen the use of full and open competition and to achieve further negotiated savings and improved contract terms and conditions. The CA Unit has identified 195 existing non-competitive contracts that can be competed out of 513 total non-competitive sole source and bid waiver contracts. During FY 2003-04 the unit intends to compete 25% of all sole source and bid waiver contracts identified.

### **5. Procurement Ethics and Specification Writing Training**

DPM, in conjunction with the Commission on Ethics will conduct Procurement Ethics training for procurement staff countywide. Additionally, DPM will offer Basic Specification Writing training to procurement professionals and all employees involved

## **Procurement Ethics and Specification Writing Training (cont.)**

in specification writing, at no cost. Performance Based Specification Writing is also proposed to be offered in conjunction with Florida Atlantic University and the Employee Relations Department.

### **6. U.S. Communities Copier Contract**

DPM is participating in a national association of government agencies and purchasing officials, known as U.S. Communities, to leverage the purchasing power of government agencies throughout the country. During FY 2002-03, the BCC granted approval for the advertisement of a solicitation co-sponsored by U.S. Communities for the purchase of photocopiers for the County. The contract was awarded in September 2003. DPM will receive 5% of the 1% of fees retained by U.S. Communities from sales under this contract.

### **7. Employee Participation Program/Job Classification Review of Procurement Operations Positions**

DPM implemented an Employee Participation Program which allows employees to participate in the process of revising their job descriptions to accurately reflect work performed and which provides the appropriate compensation and applies the appropriate job requirements. Committees of DPM employees (under the direction of the Departmental Personnel Representative) were formed to study current job duties and to develop updated job descriptions. Revised job descriptions have been submitted for review and approval to the Employee Relations Department for the procurement staff from the Bids & Contracts Division and the RFP Unit.

### **8. Procurement Code Review**

DPM will amend portions of the County Code governing the procurement process. Revisions to the Procurement Code are expected to be completed during FY 2004-05.

# DIRECTOR'S OFFICE

Establishes departmental policy; establishes, reviews and modifies countywide procurement policy, procedures, and contracts; serves as a liaison between departments and vendors; determines and monitors contract compliance; responsible for agenda development, review and coordination; establishes staff competency requirements and training programs; develops and administers procurement certification training for liaisons from user departments; promotes full and open competition in the award of county contracts; reviews and assesses the use of technology including "E-Procurement" to enhance efficiency; implements policy enacted by the Board of County Commissioners and the County Manager. Coordinates the activities of the Living Wage Commission. Directs and manages the daily operations of the Department.

FY 02-03 - 8 positions  
FY 03-04 - 8 positions

## BIDS & CONTRACTS DIVISION

- Establishes contracts for commodities through Invitations to Bid.
- Prepares statistical reports.
- Distributes and tracks all formal bid contracts.
- Notify bidders of status of contract award.
- Conducts competency of bidders.
- Conducts Pre-Bid Conferences.
- Develops technical bid specifications for new and recurring bids (formal and informal).
- Solicits proposals from prospective vendors.
- Evaluates proposals for recommendation to the Board of County Commissioners, when required and issues award sheets.
- Makes recommendations for race conscious measures.
- Performs market research.
- Processes Requisitions and Purchase Orders by accessing existing County Contracts.
- Provides procurement training and technical expertise to departments.
- Provides research information for Department Director, Assistant to the Director, County Attorneys, Commissioners, Commissioner's Aides and other County officials as it relates to procurement.
- Conducts continuous audits to ensure compliance with established guidelines, resolutions, policies and procedures.

FY 02-03  
49 positions

FY 03-04  
45 positions

## STRATEGIC ACQUISITION PLANNING DIVISION

- Identifies organizational, policy, process, or procedural impediments to competition and recommends the appropriate corrective actions.
- Formulates terms and conditions, including price and negotiation strategies for complex and particularly sensitive acquisitions.
- Establishes guidelines and criteria for advance acquisition planning.
- Develops and monitors a specialized training program that focuses on the basics of effective negotiations.
- Reviews all requests for bid waiver and sole source acquisitions.
- Performs market research in order to identify sources of supply.
- Ensures that the contracts terms and conditions, price and quality are effectively negotiated.
- Develops and processes Requests for Proposals (RFP), Requests for Qualification (RFQ), and Requests for Information (RFI).
- Develops professional and effective solicitations, and negotiates noncompetitive acquisitions as appropriate.
- Ensures that all responsible sources are given the opportunity to compete.
- Develops and promotes the appropriate acquisition strategies for goods and services sought.

FY 02-03  
11 positions (RFP only)

FY 03-04  
18 positions

## ADMINISTRATIVE & FISCAL DIVISION

- Prepares division and department annual budget.
- Prepares quarterly expenditure and revenue reports.
- Reviews and processes departmental invoices.
- Monitors contracts used by the department.
- Develops and monitors performance and quality measures.
- Prepares job descriptions including minimum requirements that comply with ADA.
- Prepares job announcements and conduct recruitment.
- Prepares and processes all personnel actions.
- Provides guidance to supervisory staff with Employee Performance Evaluations.
- Provides guidance to supervisory and management staff regarding disciplinary process.
- Develops and conducts on-going training program for DPM staff.
- Maintains capital equipment inventory for the department.
- Prepares reports of User Access Program revenue generated.
- Collects the County's surcharge fee and fees for bid/RFP packages.
- Assists vendors on how to conduct business with the County.
- Coordinates vendor information between DPM and County departments.
- Reviews vendor applications for compliance with County Resolutions and Ordinances.
- Operates Vendor Information Center.
- Advertises bid, RFP and A&E solicitations in newspapers.
- Conducts bid openings.
- Maintains insurance, bid deposits and performance bonds on behalf of the department.
- Prepares business plan and quarterly reports.

FY 02-03  
19 positions

FY 03-04  
18 positions

## TECHNICAL SERVICES/ INFORMATION SYSTEMS DIVISION

- Manages DPM's internal MIS functions.
- Administers Local Area Network.
- Develops and implements e-procurement initiatives.
- Edits and maintains departmental web page.
- Managers IT Procurement Unit.
- Responsible for establishing and monitoring all IT and telecommunication contracts of the County.
- Responsible for managing countywide ADPICS operations and trainings.
- Negotiate all IT related Bid Waiver and Sole Source Acquisitions.
- Develop and process IT related RFP's, RFQ's and RFI's.
- Like procurement operations responsibilities as noted under the Bids and Contracts and Strategic Acquisition Planning Divisions.

FY 02-03  
11 positions  
(excludes 8 in-stationed)

FY 03-04  
13 positions  
(excludes 8 in-stationed)

	DPM	In-Stationed	Total
Total staff	102	8	110
Filled positions	91	4	95
Vacancies	11	4	15

## ORGANIZATION AND STAFFING LEVELS

### Major Programs and Changes in Staffing Levels

#### Reassignment of Resources:

Eliminated two positions in FY 03-04 in the Vendor Assistance Unit due to budget restrictions and to redirect resources to other operating areas

#### User Access Program (UAP):

The UAP was implemented effective October 1, 2003. This program will produce a new source of revenue to supplement General Fund revenue received for procurement operations. The exemption of the Miami-Dade Aviation Department (due to Federal Aviation Administration regulations) and Miami-Dade Housing Agency (due to the significant amount of federal funds used) may result in reduced collections of the \$1.8 million budgeted in FY 2003-04.

### Staffing Levels

FUNCTIONAL UNIT	FY 2002-03 BUDGET (PRIOR YEAR)	FY 2003-04 BUDGET (CURRENT YEAR)
Director's Office	8	8
Bids and Contracts Division	49	45
Strategic Acquisition Planning Division	11	18
Technical Services Division	11	13
Administration and Fiscal Division	19	18
<b>Total</b>	<b>98</b>	<b>102</b>

## FISCAL ENVIRONMENT

### Revenues and Expenditures by Fund

TOTAL ANNUAL BUDGET			
	PRIOR FISCAL YEAR 02-03 BUDGET	CURRENT FISCAL YEAR 03-04 BUDGET	PROJECTION AS OF 11/21/2003
<b>REVENUES</b>			
General Fund (DPM)	5,237,000	4,813,000	4,813,000
General Fund (ADPICS) (C)	986,000	605,000	605,000
Capital Working Fund (A)	726,000	118,000	118,000
Surcharge (D)	144,688	125,000	125,000
Bids and Contracts	10,565	10,000	10,000
Miscellaneous Revenue	528	1,000	1,000
Carryover (B)	48,000	-	
Capital Outlay Reserve (CORF) (C)		325,000	325,000
User Access Program (D)		1,675,000	1,675,000
<b>Total</b>	<b>7,152,781</b>	<b>7,672,000</b>	<b>7,672,000</b>
<b>EXPENSES</b>			
DPM	6,013,855	6,742,000	6,742,000
ADPICS	1,019,531	930,000	930,000
<b>Total</b>	<b>7,033,386</b>	<b>7,672,000</b>	<b>7,672,000</b>

- A. The Capital Working Fund transfer for FY 2002-03 will occur in FAMIS in month13, \$324,000 of funds covered expenses for CICC staff that transferred in Jan. 2003
- B. The carryover is only a trail balance entry – not an actual revenue receipt
- C. Capital Outlay Reserve Funding approved for ADPICS in additional to General Funds
- D. Surcharge revenue (\$125,000) and User Access Program revenue (\$1,675,000) total \$1.8 million for FY 2003-04

### Equity in Pooled Cash (for proprietary funds only) (Not applicable to DPM)

FUND/SUBFUND	PRIOR FY 02-03 BEGINNING YEAR ACTUAL	PRIOR FY 02-03 END YEAR ACTUAL (EST.)	CURRENT FY 03-04 YEAR END BUDGET
<b>Total</b>			



## Major Funding Sources/ Major Variances

1. **User Access Program (UAP):**

Implemented effective October 1, 2003. This new source of revenue will supplement General Fund revenue received. The exemption of the Miami-Dade Aviation Department (due to Federal Aviation Administration regulations) and the Miami-Dade Housing Agency (due to a significant amount of federal funds used) may impact the ability to collect the \$1.8 million budgeted in FY 2003-04.

2. **General Funds:**

General Fund Revenue was reduced from \$5,237,000 in FY 2002-03 to \$4,813,000 in FY 2003-04, an 8% decrease.

3. **Capital Working Funds:**

Capital Working Funds were reduced from \$503,000 in FY 2002-03 to \$118,000 in FY 2003-04 as a result of the reduction of services provided to the Office of Capital Improvement Construction Coordination (CICC), since the transfer of construction related functions from DPM to the CICC in FY 2002-03.

4. **Funding for e-Procurement:**

e-Procurement Funding for projects and related expenses are uncertain due to the implementation of the IT Funding Model Governance Committee. This new process in lieu of direct funding may impact the department's ability to implement e-Procurement initiatives. Additionally, the reduction in funding for required staff will also impact DPM's ability to implement efficiencies and complete projects.

5. **Capital funding:**

Capital Outlay Revenue Funding of \$325,000 will be received to supplement General Fund revenue of \$605,000 for ADPICS operations for FY 2003-04. Additionally, \$77,620 in Capital funding was committed by the Office of Management and Budget (OMB) to fund the department's computer lease (\$42,220) and the build-out of four offices on the 13<sup>th</sup> floor (\$35,400). Expenses allocated in the current budget for the computer lease will be reallocated to training. If UAP revenue exceeds \$1.8 million, these expenses will be funded from this additional revenue.

## **BUSINESS ENVIRONMENT**

DPM provides professional, value added procurement services to all departments within Miami-Dade County. A vendor base of over 9,000 active vendors is maintained.

### **Varied procurement actions:**

The current DPM staff compliment is budgeted at 102. Currently 95 employees administer over 1,600 separate procurement actions at any given time.

- Requisition Processing
- Needs Assessment Meetings with User Departments
- Advertisement of Formal Bids or RFP's
- Advertisement of Informal Bids or RFP's
- Administration of Bid Openings/ RFP Closings
- Review of Technical Responses
- Market Research
- Contract Negotiations
- Confirmation Purchases
- Administration of Selection Committee Process
- Recommendations for Award or Rejection
- Emergency Purchases
- Sole Source Purchases
- Bid Waiver Purchases
- Contract Extensions
- Contract Modifications
- Preparation and Participation in Bid Protest Proceedings
- User Department Allocation Shifts

### **Purchasing Affiliations**

- **U.S. Communities:**

DPM is participating in a national association of government agencies and purchasing officials, known as U.S. Communities, to leverage the purchasing power of government agencies throughout the country. During FY 2002-03, the BCC granted approval for the advertisement of a solicitation co-sponsored by U.S. Communities for the purchase of photocopiers for the County. The contract was awarded in September 2003. DPM will receive 5% of the 1% of fees retained by U.S. Communities from sales under this contract.

## **Purchasing Affiliations (cont.)**

- **Federal and State:**

Federal and State Contracts are sometimes accessed by DPM when market research determines that these already established contracts offer competitive prices and excellent terms and conditions. When these contracts are accessed, DPM staff dedicate their efforts toward negotiating even better prices, terms and conditions. These efforts prove to be both productive and efficient.

- **Other Agencies and Municipalities:**

Other agencies and municipalities throughout Miami-Dade County and Florida can access Miami-Dade County contracts through the User Access Program. These agencies benefit by utilizing contracts with competitive pricing and excellent terms and conditions without investing efforts in establishing and issuing the contract. In exchange, these agencies will collect from vendors the 2% fee under the UAP, remit 75% of this fee to DPM and retain 25% for their collection efforts.

## **National/State Recognition:**

In FY 2002-03, DPM was conferred the Outstanding Agency Accreditation Achievement Award from the National Institute of Governmental Purchasing (NIGP). DPM received one of only 20 Outstanding Agency Accreditation Awards for best practices, professionalism, staff competencies and promotion of best value in government purchasing.

Also during FY 2002-03, DPM was honored by the National Association of Counties (NACO) as an Achievement Award Winner for its Procurement "Outreach" Program recognizing DPM's programs and workshops benefiting the vendor community.

## **The DPM Webpage:**

The DPM Webpage was recognized for excellence in FY 2002-03 by the State's IT Florida Technology Forum.

## **Diverse Workforce:**

DPM recognizes the strength of diversity in the workplace and considers this a critical factor in the success of the department.

## **Diverse Vendor Base:**

DPM supports diversity of the Miami-Dade County vendor base. DPM sponsors workshops and participates in a variety of tradeshow and events to promote diversifying the vendor base.

## **CRITICAL SUCCESS FACTORS**

### **General Funds:**

All actions proposed in the Business Plan assumes full funding from the General Fund for FY 2003-04 and FY 2004-05.

### **User Access Program (UAP) Revenue:**

The collection of the \$1.8 million in UAP revenue for FY 2003-04 is the most critical factors to the successful operations of DPM operations. If this revenue is not realized, critical vacancies cannot be filled; thus minimizing the department's ability to sustain operations at the current level. If the required revenue is not realized and additional General Funds are not made available, DPM would not be able to:

- Implement enhancements to streamline and improve processes
- Continue to negotiate contract savings and enhanced contract terms and conditions
- Introduce UAP boilerplate language at the time of the Option to Renew (OTR) to maximize UAP revenue
- Enhance competition through innovative procurement methods
- Reduce contract extensions
- Build employee competencies through training, workshops and seminars

### **Funding for e-Procurement:**

The ability to implement new e-Procurement initiatives and continue to maintain existing initiatives depends upon the approval of funding through the IT Funding Model Governance Committee. The Solicitation Tracking System is required to track the processing time for bids and RFPs.

### **Staffing:**

Full staffing levels are critical to the accomplishment of goals, strategies and tasks.

## **FUTURE OUTLOOK**

### **1. Training and Professional Development of DPM Staff**

Training and professional development are critical in strengthening competencies among procurement professionals and management. Skills learned through the investment in training will enhance staff's ability to improve and streamline the procurement processes. Training must be on going to gain the optimum benefits. Specific training courses, workshops, and conferences have been selected for attendance during FY 2003-04. Some of the training courses/events being planned include:

- Procurement Ethics training offered by the Commission on Ethics in conjunction with DPM
- Basic Specification Writing training conducted by DPM
- Performance Based Specification Writing
- Negotiation Strategies
- General Public Procurement
- Intermediate Public Procurement
- Advanced Public Procurement
- Florida's Procurement Law seminar
- Supervisory Certification courses
- National Institute of Governmental Purchasing (NIGP) Annual Forum
- Florida Association of Public Purchasing Officers (FAPPO) Annual Conference
- Tier Technologies Client Roundtable
- Project Management Certification course
- Business Writing and Grammar
- Getting to Know Your County Government

### **2. Process Improvements and Enhanced Technology**

Process improvements and technology are key factors in obtaining a streamlined and more responsive procurement process. Improvements anticipated for FY 2003-04 include:

- New, expedited procedures for receiving responses from vendors for solicitations under \$100,000
- Faster turn-around for the award of bids and RFPs
- Quicker selection committee processes
- Increased delegation of authority to reduce process time
- Streamlining the advertisement process
- Request for Quotes (RFQ) online

## **Future Outlook (cont.)**

- The preparation and distribution of award sheets online
- Improved, more deliberate, market research to help reduce barriers to competition and obtain best value

### **3. Enhance Full and Open Competition**

DPM is committed to enhancing full and open competition. An increase in competition encourages the “best-value” for goods and services in terms of a better price, quality, terms and conditions. This will be accomplished through:

- Aggressive negotiation or competing sole source and bid waiver contracts
- Introducing innovative procurement strategies, e.g. reverse auctions
- Conducting roundtable discussions with DPM staff for skill building, professional development and to develop creative procurement strategies

### **4. Value and Savings**

DPM will continue to strive to obtain the best value for goods and services through the following methods:

- Negotiating for better pricing, terms and conditions
- Introducing innovative procurement strategies

### **5. Outreach Efforts to DPM Customers**

Educating the vendor community and user agencies is important for maximizing full and open competition. DPM staff will continue to provide services to enhance vendors’ and potential vendors’ awareness of the enrollment, registration and bidding processes. Through these efforts, it is anticipated that additional vendors will be added to the active vendor pool and more vendors will respond to bids and RFPs. These efforts promote full and open completion. The following services will be provided:

- Conduct monthly ITB and RFP workshops
- Participate in tradeshow and outreach events
- Conduct industry meetings

### **6. Additional Services to User Departments:**

- Routine meetings for collaborative Advanced Acquisition Planning for improved market research and competitive intelligence and to develop effective performance based contracts
- Quarterly workshops for procurement liaisons
- “Roadmaps” for County staff to provide instruction, to save time and to promote uniform contract usage
- Basic Specification Writing training provided at no charge to County departments for employees throughout the County involved in specification writing

## THE PLAN

### **Ensure the timely acquisition of “best value” goods and services while maintaining integrity and inclusion.**

#### **Overview**

Our FY 2003 – 04 business plan draws heavily on previously adopted work including the Miami-Dade County Strategic Plan. Miami-Dade County’s Strategic Planning initiative is both a plan and a process. The plan provides a framework at a broad Countywide level where we want to go, how we get there, and how we measure our progress along the way. The process ensures increased communications at all levels of County government using consistent terms. These terms were incorporated in the document adopted by the Board.

- Our Countywide *Vision* communicates the community’s shared vision for the best possible future for Miami-Dade County government
- Our Countywide *Mission* statement communicates the role of our government. Miami-Dade County’s mission statement is “Delivering excellent public services to address the community’s needs and enhance our quality of life”
- Our *Guiding Principles* communicate to all levels of our organization the manner in which we expect all decisions, interactions and activities to be performed
- Our *Strategic Themes* represent what we consider to be the most significant challenges and opportunities facing Miami-Dade County government
- We have developed *Goals* across all County Departments. These goals provide the direction the County must move in to address the priority strategic themes and help guide us towards the desired future
- For each goal we have defined a desired *Outcome* or set of outcomes that the County must achieve to be successful in accomplishing the goal. These outcomes are from the customer/community perspective (e.g. quality of service provided, customer satisfaction)
- For each outcome(s), implementing *Strategies* summarize at a broad countywide
- Level the actions that will be taken to achieve the outcome
- Key Performance Indicators are the measures that express the County’s intentions from the Strategic Plan. Associated *Key Performance Objectives* assign measurable targets and timelines to the key performance indicators while the *Performance Measure* is the specific unit of measure. Departments may develop *Additional Performance Objective*
- *Department Activities, Tasks or Programs* are actions or groups of actions that will be undertaken by a particular department in a specific fiscal year in order to implement a strategy.

## The Plan (cont.)

As part of the County's Strategic Plan, the Board of County Commissioners endorsed nine priority strategic themes countywide. This Department is primarily supportive of the following strategic themes:

**TO PROVIDE EXPERTISE  
AND  
RESOURCES TO SUPPORT  
AND  
FACILITATE EXCELLENT PUBLIC SERVICE  
DELIVERY**



Supporting these themes are supporting goals and priority outcomes that directly relate to this department. These are provided along with the Department's Tasks, Activities, and Performance Measures for fiscal year 2004.

**DEPARTMENT-RELATED STRATEGIC PLAN GOALS**

**ENSURE THE TIMELY ACQUISITION OF "BEST VALUE" GOODS AND SERVICES  
WHILE MAINTAINING INTEGRITY AND INCLUSION**



**DEPARTMENT-RELATED STRATEGIC PLAN PRIORITY OUTCOMES**

**STREAMLINED AND RESPONSIVE PROCUREMENT PROCESS**

**FULL AND OPEN COMPETITION**

**"BEST-VALUE" GOODS AND SERVICES (PRICE, QUALITY, TERMS  
AND CONDITIONS)**





***The Plan***  
***Goal - Outcomes - Strategies and Performance Objectives***

***Goal: ES3***

ENSURE THE TIMELY ACQUISITION OF “BEST VALUE” GOODS AND SERVICES WHILE MAINTAINING INTEGRITY AND INCLUSION

***Outcome: ES3-1***

STEAMLINED AND RESPONSIVE PROCUREMENT PROCESS

**STRATEGIES:**

- BUILD AND STRENGTHEN COMPETENCIES AMONG PROCUREMENT PROFESSIONALS AND MANAGEMENT
- REDUCE PROCESSING TIME AND STEPS
- MAXIMIZE AUTOMATION

**KEY PERFORMANCE INDICATOR(S) OBJECTIVE(S) (FROM STRATEGIC PLAN);**

- 85% PERCENT OF INTERNAL USERS SATISFIED WITH OVERALL SERVICE BY FY 2005-2006
- 90% PERCENT OF INTERNAL USERS SATISFIED WITH QUALITY BY FY 2005-2006
- 80% PERCENT OF INTERNAL USERS SATISFIED WITH TIMELINESS BY FY 2005-2006

Department Performance Objective(s)						
DESCRIPTION OF PERFORMANCE MEASURE		PERFORMANCE LEVELS			TASKS / ACTIVITIES / PROGRAMS	OWNERSHIP
		PRIOR FY 02- 03 ACTUAL	TARGETS			
			FY 03-04	FY 04-05		
A	INCREASE THE NUMBER OF CURRENT STAFF ATTENDING TRAINING AND PROFESSIONAL DEVELOPMENT EVENTS PER YEAR	N/A	303	333	INCREASE LEVEL OF TRAINING AND PROFESSIONAL DEVELOPMENT FOR STAFF THROUGH TECHNICAL TRAINING, CONFERENCES AND WORKSHOPS:  ▪ ETHICS: 100% OF TOTAL STAFF OF 91  ▪ SPECIFICATION WRITING: 100% OF PROCUREMENT OPERATIONS STAFF OF 65  ▪ BUSINESS WRITING TRAINING: 90% OF TOTAL STAFF OF 91  ▪ FOCUSED WORKSHOPS (INSURANCE, PROCUREMENT PROCEDURES): 100% OF PROCUREMENT OPERATIONS STAFF OF 65  A 10% INCREASE IN TRAINING PROPOSED FOR FY 04-05  (STAFF TOTALS REPRESENTS CURRENTLY FILLED POSITIONS)	DEPUTY DIRECTOR
B	COMPREHENSIVE EFFICIENCY PROCESS IMPROVEMENTS PER YEAR	8	8	8	IMPLEMENT EIGHT EFFICIENCY PROCESS IMPROVEMENTS FY 03-04:  ▪ E-PROCUREMENT- AUTOMATION PROJECTS  ▪ DELEGATED AUTHORITY FOR PURCHASES  ▪ AUTOMATED SOLICITATION PREPARATION  ▪ SOLICITATION TRACKING SYSTEM  ▪ VENDOR ENROLLMENT ENHANCEMENTS  ▪ CONSOLIDATION OF NON-COMPETITIVE ACTIONS  ▪ STRATEGIC ACQUISITION PLANNING  ▪ STREAMLINED SELECTION COMMITTEE PROCESS  ▪ FASTER TURN AROUND FOR AWARD OF BIDS AND RFP'S	ASSISTANT DIRECTOR  DIVISION DIRECTORS

Department Performance Objective(s)						
DESCRIPTION OF PERFORMANCE MEASURE		PERFORMANCE LEVELS			TASKS / ACTIVITIES / PROGRAMS	OWNERSHIP
		PRIOR FY 02- 03 ACTUAL	TARGETS			
			FY 03-04	FY 04-05		
C	PERCENTAGE OF BID ANNOUNCEMENTS ISSUED VIA E-MAIL	74%	76%	78%	ISSUED 80% OF BID ANNOUNCEMENTS VIA E-MAIL  (A TOTAL OF 82,334 VENDOR/ENTITIES HAVE BEEN NOTIFIED, 60,777 (74%) VIA E-MAIL AND 21,557 (26%) VIA US MAIL.	ADMINISTRATION AND FISCAL DIVISION DIRECTOR  TECHNICAL SERVICES DIVISION DIRECTOR
D	RFP PROCESSING TIME (IN MONTHS) FOR CONTRACTS OVER \$1 MILLION AND UNDER \$1 MILLION	<div>10 ½ months for contracts over \$1 million</div> <div>10 months for contracts under \$1 million</div>	<div>10 months for contracts over \$1 million</div> <div>7 months for contracts under \$1 million</div>	<div>9 months for contracts over \$1 million</div> <div>6 months for contracts under \$1 million</div>	<u><b>RFP’S OVER \$1 MILLION:</b></u>  REDUCE AVERAGE PROCESSING TIME BY 5% IN FY 03-04 AND BY AN ADDITIONAL 10% IN FY 04-05  <u><b>RFP’S UNDER \$1 MILLION:</b></u>  REDUCE AVERAGE PROCESSING TIME BY 30% IN FY 03-04 AND AN ADDITIONAL 14% IN FY 04-05  <u><b>ASSUMPTIONS</b></u> <ul style="list-style-type: none"><li>AVERAGE PROCESSING TIME FOR PROJECTIONS STARTS ON THE DAY A USER AGENCY APPROVES THE COMPLETED SOLICITATION DOCUMENT AND ENDS ON THE DAY DPM AWARDS A CONTRACT, THE COUNTY MANAGER AWARDS A CONTRACT OR THE COUNTY MANAGER’S DEADLINE FOR SUBMISSION OF COMMITTEE AGENDA ITEMS</li><li>WORK ORDERS ARE INCLUDED IN CALCULATION OF TIME</li><li>FY 03-04 AND FY 04-05 PROJECTIONS ASSUME THE IMPLEMENTATION OF THE EXPEDITED INFORMAL AWARD PROCESS FOR CONTRACTS UNDER \$100,000</li><li>FY 03-04 AND FY 04-05 PROJECTIONS ASSUME APPROVAL OF REVISED ORDINANCE 2.81, A.O. 3.38 AND A.O. 3-34</li><li>FY 03-04 AND FY 04-05 PROJECTIONS ASSUME FULL STAFFING LEVELS</li></ul>	SAP DIVISION DIRECTOR  TECHNICAL SERVICES DIRECTOR

Department Performance Objective(s)						
DESCRIPTION OF PERFORMANCE MEASURE		PERFORMANCE LEVELS			TASKS / ACTIVITIES / PROGRAMS	OWNERSHIP
		PRIOR FY 02- 03 ACTUAL	TARGETS			
			FY 03-04	FY 04-05		
E	ITB PROCESSING TIME (IN MONTHS) FOR CONTRACTS OVER \$1 MILLION AND UNDER \$1 MILLION	<div>11 months for contracts over \$1 million</div> <div>9 months for contracts under \$1 million</div>	<div>11 months for contracts over \$1 million</div> <div>8 months for contracts under \$1 million</div>	<div>10 months for contracts over \$1 million</div> <div>8 months for contracts under \$1 million</div>	<b>ITB CONTRACTS OVER \$1 MILLION:</b>  MAINTAIN CURRENT PROCESSING TIME IN FY 03-04 AND REDUCE PROCESSING TIME BY 9% IN FY 04-05  <b>ITB CONTRACTS UNDER \$1 MILLION:</b>  REDUCE AVERAGE PROCESSING TIME BY 11% IN FY 03-04 AND MAINTAIN THIS LEVEL IN FY 04-05  <u><b>ASSUMPTIONS</b></u> <ul style="list-style-type: none"><li>AVERAGE PROCESSING TIME STARTS ON THE DAY A USER AGENCY APPROVES THE COMPLETED SOLICITATION DOCUMENT AND ENDS ON THE DAY DPM AWARDS A CONTRACT, THE COUNTY MANAGER AWARDS A CONTRACT OR THE COUNTY MANAGER'S DEADLINE FOR SUBMISSION OF COMMITTEE AGENDA ITEMS</li><li>PROCESS TIME INCLUDES THE TIME REQUIRED FOR ADVERTISEMENT (APPROXIMATELY 2 MONTHS) AND THE TIME REQUIRED FOR BCC PROCESSING AND APPROVAL (APPROXIMATELY 2 MONTHS)</li><li>FY 03-04 AND FY 04-05 PROJECTIONS ASSUME FULL STAFFING LEVELS</li></ul>	BIDS & CONTRACTS DIVISION DIRECTOR  TECHNICAL SERVICES DIVISION DIRECTOR

Department Performance Objective(s)						
DESCRIPTION OF PERFORMANCE MEASURE		PERFORMANCE LEVELS			TASKS / ACTIVITIES / PROGRAMS	OWNERSHIP
		PRIOR FY 02- 03 ACTUAL	TARGETS			
			FY 03-04	FY 04-05		
F	REDUCE PERCENTAGE OF CONTRACT EXTENTIONS	<div>18% for ITB Contracts</div> <div>27% for Bid Waiver and Sole Source Contracts</div>	<div>15% for ITB Contracts</div> <div>15% for Bid Waiver and Sole Source Contracts</div>	<div>15% for ITB Contracts</div> <div>15% for Bid Waiver and Sole Source Contracts</div>	FROM A TOTAL OF 581 ITB CONTRACTS DUE TO EXPIRE, 106 WERE EXTENDED IN FY 02-03 (18%)  PROPOSE TO REDUCE BY 3%  FROM THE 190 SOLE SOURCE AND BID WAIVER CONTRACTS DUE TO EXPIRE, 52 WERE EXTENDED IN FY 02-03 (27%)  PROPOSE TO REDUCE BY 12%	BIDS & CONTRACTS DIVISION DIRECTOR  TECHNICAL SERVICES DIVISION DIRECTOR  SAP DIVISION DIRECTOR
G	REDUCE THE NUMBER OF SUCCESSFUL BID PROTESTS	1 RFP PROTEST  1 BID PROTEST	1 RFP PROTEST  1 BID PROTEST	1 RFP PROTEST  1 BID PROTEST	<b><u>RFP’S:</u></b>  23 CONTRACTS IN FY 02-03, 3 PROTESTS, 1 PROTEST WAS UPHELD  <b><u>BIDS:</u></b>  397 CONTRACTS IN FY 02-03, 9 PROTESTS, 1 PROTEST WAS UPHELD	BIDS & CONTRACTS DIVISION DIRECTOR  TECHNICAL SERVICES DIVISION DIRECTOR  SAP DIVISION DIRECTOR

***The Plan***  
***Goal - Outcomes - Strategies and Performance Objectives***

***Goal: ES3***

ENSURE THE TIMELY ACQUISITION OF “BEST VALUE” GOODS AND SERVICES WHILE MAINTAINING INTEGRITY AND INCLUSION

***Outcome: ES3-2***

FULL AND OPEN COMPETITION

***Outcome: ES3-3***

BEST - VALUE GOODS AND SERVICES (PRICE, QUALITY, TERMS AND CONDITIONS)

**STRATEGIES:**

- MAINTAIN AND STRENGTHEN COMMUNICATIONS AND ONGOING TRAINING REGARDING PROCUREMENT WITH USERS AND VENDORS
- CONTINUE TO ENHANCE OUR NEGOTIATING CAPACITIES
- MAXIMIZE ADVANCE ACQUISITION PLANNING

**KEY PERFORMANCE INDICATOR(S) OBJECTIVE(S) (FROM STRATEGIC PLAN);**

- APPROXIMATELY \$30 MILLION BETWEEN FY 2004-2006 VALUE OF % OF COST SAVINGS FROM PRIOR CONTRACTS AND /OR RESULTS OF MARKET RESEARCH
- (UPDATE: APPROXIMATELY \$30 MILLION OF SAVINGS BETWEEN FY 2004-2006 BASED ON COMPARISON OF PRIOR CONTRACT PRICE AND NEGOTIATED PRICE OR THROUGH NEGOTIATIONS WITH THE HIGHEST RANKED VENDOR)

Department Performance Objective(s )						
DESCRIPTION OF PERFORMANCE MEASURE		PERFORMANCE LEVELS			TASKS / ACTIVITIES / PROGRAMS	OWNERSHIP
		PRIOR FY 02-03 ACTUAL	TARGETS			
			FY 03-04	FY 04-05		
A	WORKSHOPS/MEETINGS FOR VENDORS AND POTENTIAL VENDORS PER YEAR	24	24	24	CONDUCT 24 WORKSHOPS AND INTDUSTRY MEETINGS FOR VENDORS AND POTENTIAL VENDORS	SAP DIVISION DIRECTOR  TECHNICAL SERVICES DIVISION DIRECTOR  BIDS AND CONTRACTS DIVISION DIRECTOR
B	ROUNDTABLE DISCUSSIONS PER YEAR	14	19	21	INCREASE ROUNDTABLE DISCUSSIONS FOR INTERNAL SKILL BUILDING AND PROFESSIONAL DEVELOPMENT	SAP DIVISION DIRECTOR  TECHNICAL SERVICES DIVISION DIRECTOR  ASSISTANT DIRECTOR
C	CONTRACT SAVINGS TO MIAMI-DADE COUNTY PER YEAR	\$28.6 MILLION	\$15 MILLION	\$15 MILLION	GENERATE \$15 MILLION IN PROJECTED SAVINGS TO MIAMI-DADE COUNTY (OVER THE CONTRACT AND OTR YEARS)  ▪ CONDUCTING MARKET RESEARCH TO GUAGE MARKET PRICING AND CONDITIONS  ▪ NEGOTIATING RFP, ITB, SOLE SOURCE AND BID WAIVER CONTRACTS FOR BETTER PRICING, TERMS AND CONDITIONS FAVORABLE TO THE COUNTY  ▪ CONTRACT SAVINGS CALCULATED BASED ON COMPARISON TO:  1. PRIOR CONTRACT FOR SAME SERVICE  OR  2. NEGOTIATING WITH SELECTED FIRM/LOWEST BIDDER FOR LOWER PRICE THAN THE ONE PROPOSED/BID	BIDS AND CONTRACTS DIVISION DIRECTOR  TECHNICAL SERVICES DIVISION DIRECTOR  SAP DIVISION DIRECTOR

Department Performance Objective(s )						
DESCRIPTION OF PERFORMANCE MEASURE		PERFORMANCE LEVELS			TASKS / ACTIVITIES / PROGRAMS	OWNERSHIP
		PRIOR FY 02-03 ACTUAL	TARGETS			
			FY 03-04	FY 04-05		
D	PERCENTAGE OF BID WAIVER AND SOLE SOURCE CONTRACTS COMPETED	N/A	25%	25%	COMPETE 25% OF BID WAIVER AND SOLE SOURCE CONTRACTS IDENTIFIED FOR FULL AND OPEN COMPETITION	SAP DIVISION DIRECTOR
E	NUMBER OR OUTREACH EVENTS ATTENDED PER YEAR	258	258	258	MAINTAIN CURRENT LEVEL OF OUTREACH ACTIVIITIES BY ATTENDING OR PARTICIPATING IN 258 EVENTS	DIRECTOR DEPUTY DIRECTOR OUTREACH COORDINATOR